

BEFORE THE
PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

DOCKET NO. _____

Joint Petition of Mid-Carolina)	
Electric Cooperative, Inc. and)	
South Carolina Electric & Gas)	
Company for Reassignment of)	JOINT PETITION FOR REASSIGNMENT OF
Territory in Lexington and Saluda)	TERRITORY, TRANSFER OF CERTAIN
Counties, Exchange of Certain)	CUSTOMERS AND APPROVAL OF AN
Customers and Approval of an)	AGREEMENT TO ELIMINATE CORRIDOR RIGHTS
<u>Agreement to Limit Corridor Rights)</u>		

Mid-Carolina Electric Cooperative, Inc., ("Mid-Carolina") and South Carolina Electric & Gas Company ("SCE&G") hereby jointly apply to the Commission for reassignment of certain service areas in Lexington and Saluda Counties, approval of the transfer of facilities and existing customers and members ("Customers") between them, and approval of an agreement to eliminate "corridor rights" in two specified areas, all of which is set forth as follows:

1. All communications and correspondence concerning this Petition should be made and directed to:

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2. Both Mid-Carolina and SCE&G are organized and doing business under and pursuant to the Laws of the State of South Carolina, and each is an “electric supplier” as that term is defined in the Territorial Assignment Act. S.C. Code Ann. § 58-27-610 (1) (Supp. 2009).
3. The Commission may assign to electric suppliers areas outside the corporate limits of municipalities and that are more than 300 feet from the lines of electric suppliers as such lines exist on the date the territory is assigned. S.C. Code Ann. § 58-27-640 (Supp. 2009). Upon agreement of the affected electric suppliers, the Commission may reassign portions of previously assigned service areas. S.C. Code Ann. § 58-27-650 (Supp. 2009).
4. The Commission has the authority to approve agreements between electric suppliers concerning corridor rights. The Commission shall approve those agreements if, after giving notice and an opportunity for hearing to interested parties, it finds the agreements to be fair and reasonable. S.C. Code Ann. § 58-27-620 (8) (Supp. 2009).
5. Petitioners have engaged in good faith negotiations to reassign service areas and transfer customers and associated facilities between each other based on their respective operations, good utility practice, safety and the following principles with respect to territorial assignment outlined by the Commission in its Order No. 81-57 (issued January 22, 1981; Docket Nos. 16,222 and 16,899):
 - a. The parties will ... review their operations and existing and proposed facilities in relation to each other so as to determine any future reassignments of service areas where they determine that to do so will improve their respective operations and be in accordance with the public convenience and necessity.
 - b. The parties will, from time to time, give consideration to an exchange or sale and purchase of certain of their respective facilities as and where they determine that to do so will improve their respective operations and be in accordance with the public convenience and necessity. If the parties do reach an agreement for such an exchange, sale or purchase, such may be subject to the approval of the Commission, in which case such approval will be sought via appropriate application to the Commission.
 - c. Certain lines or other electrical facilities of each of the parties are or may hereafter be located inside areas that have been assigned or are herein requested to be reassigned to the other. In determining the location and routing of future lines which must be constructed or extended, each of the parties will use its best efforts to avoid any unnecessary, and to minimize any necessary, duplication, paralleling or crossing of the lines of the other. However, the parties are mindful of the fact that situations may well develop wherein, because of right-of-way problems or other considerations, construction or extension of facilities will, to some extent, duplicate, parallel or cross the facilities of the other. In such instances, the party which intends to construct or extend its facilities will timely notify the other party of its proposed construction or extension and, upon request of the other party, will timely confer with the other party for the purpose of considering means whereby such proposed construction or extension may avoid or minimize the duplication, paralleling or crossing of the other party’s facilities and be in accordance with the public convenience and necessity.

6. In agreeing to the reassignment of service territory and the transfer of customers and facilities described in this Petition, Mid-Carolina and SCE&G have given careful consideration to the public convenience and necessity, service reliability, and good utility practice, efficiency and safety and respectfully allege that the reassignments and customer and facilities transfers will serve and be in accordance with the public convenience and necessity. In particular, among other important considerations, the parties have addressed the need to reduce the number of overhead distribution lines crossing Lake Murray. Under the proposed customer and facility transfers, Mid-Carolina will be able to eliminate two lake crossings.
7. Petitioners state that they have negotiated over a period of years all of the issues that are the subject of this petition on an integrated basis; therefore while their requests involve different geographical areas, these areas were considered concurrently and in combination during Petitioners' negotiations.
8. Petitioners allege that each is fully capable of furnishing adequate and dependable electric service in the areas and to the customers that each now serves and would serve upon the Commission's granting of this Petition.
9. Petitioners allege that no suppliers other than the Petitioners provide electric service in the areas that are the subject of this Petition; consequently, no facilities or service territories of any electric suppliers other than the Petitioners are affected by this request for reassignment and transfer of customers and facilities.
10. Petitioners request that the Commission treat this verified Petition as also being an affidavit and to determine this matter solely on the basis of this filing, unless there are protests or petitions to intervene, and in that event, to set this matter for hearing and determination at the earliest possible date.

Official Territorial Assignment Act Key Map

11. **Exhibit 1** is the Key Map of the official territorial assignment map between SCE&G and Mid-Carolina dated October 27, 2003. The Key Map shows locations of each area affected in the associated exhibits referenced in this petition.

Reassignment of Territory around Batesburg-Leesville and Gilbert

12. **Exhibit 2** is a map depicting the existing distribution lines of both petitioners in the area surrounding Batesburg-Leesville and Gilbert, SC in Lexington County and shows the territory as it is currently assigned to SCE&G and Mid-Carolina. Petitioners request that portions of this territory be reassigned from SCE&G to Mid-Carolina and from Mid-Carolina to SCE&G to better reflect the existing electric services and electric distribution lines. The negotiations between the petitioners used parcel information from the 2007 Lexington County Tax Map Database, a copy of which is kept at each petitioner's main office. **Exhibit 3** is a map depicting the existing distribution lines of both Petitioners and the territorial boundaries showing the territorial reassignment that SCE&G and Mid-Carolina propose.
13. Petitioners allege that no current customer of either Petitioner is affected or inconvenienced in any way by the reassignment of territory that Petitioners are requesting in this area.

Reassignment of Territory and Transfer of Customers in the Ward Area

14. Mid-Carolina currently serves 44 customers in an area assigned to it between the towns of Ridge Spring and Saluda in Saluda County known as "Ward." **Exhibit 4** depicts the boundaries of the proposed territorial reassignment as well as the existing distribution lines of the Petitioners. The energy to serve these 44 Mid-Carolina customers is supplied by SCE&G because of the isolation of Mid-Carolina's distribution lines in this area. The Petitioners request that the 50 electric services in Ward (of which 44 are active and currently receiving service from Mid-Carolina) be transferred to and receive service from SCE&G. Petitioners further request that the territory be reassigned to SCE&G with the boundaries of the territory being as they are shown on **Exhibit 4** in the blue color. Mid-Carolina sent a letter to each of its 44 customers in Ward. A copy of the letter and enclosure is attached as **Exhibit 4A**.
15. In connection with the transfer of customers in Ward, Mid-Carolina will transfer to SCE&G approximately 10 miles of overhead and underground distribution line and associated equipment as shown in purple on **Exhibit 4**. Further, Petitioners agree that Mid-Carolina abandons, and request that the Commission approve the abandonment of, all corridor rights for the lines being transferred to SCE&G. The former corridors will be served exclusively by SCE&G.

Reassignment of Territory and Transfer of Customers in Lake Murray Estates Area

16. SCE&G currently serves 71 customers in an area assigned to it near the town of Saluda in Saluda County known as "Lake Murray Estates." **Exhibit 5** depicts the boundaries of the proposed territorial reassignment as well as the existing distribution lines of the Petitioners. The energy to serve these 71 SCE&G customers is supplied by Mid-Carolina because of the isolation of SCE&G's distribution lines in this area. The Petitioners request that the 73 electric services in Lake Murray Estates (of which 71 are active and currently receiving service from SCE&G) be transferred to and receive service from Mid-Carolina. Petitioners further request that the territory be reassigned to Mid-Carolina with the boundaries of the territory being as they are shown on **Exhibit 5** in the blue color. SCE&G sent a letter to each of its 71 customers in Lake Murray Estates. A copy of the letter and enclosure is attached as **Exhibit 5A**.
17. In connection with the transfer of customers in Lake Murray Estates, SCE&G will transfer to Mid-Carolina approximately 7.4 miles of overhead and underground distribution line and associated equipment as shown in purple on **Exhibit 5**. The total value of SCE&G's distribution lines, appurtenant poles and transformers that will be transferred to Mid-Carolina is less than \$ 1 million. Further, Petitioners agree that SCE&G abandons, and request that the Commission approve the abandonment of, all corridor rights for these lines being transferred to Mid-Carolina. The former corridors will be served exclusively by Mid-Carolina.

Removal of Two Distribution Lines Crossing Lake Murray and Transfer of Customers

18. Mid-Carolina serves six customers on Wessinger Road and Westridge Circle on Lake Murray by means of an overhead distribution line that crosses Lake Murray over the cove immediately adjacent to those two roads. The area is assigned to SCE&G. **Exhibit 6** depicts the lines of the Petitioners in this area. The Petitioners propose that Mid-Carolina's distribution line, shown in black, that crosses the cove be removed, and request that the six customers be transferred from Mid-Carolina to SCE&G. Mid-Carolina sent a letter to each of its six customers. A copy of the letter and enclosure is attached as **Exhibit 6A**.

19. Mid-Carolina serves three customers on Walt Rauch Road on Lake Murray by means of an overhead distribution line that crosses Lake Murray over the cove immediately adjacent to that road. The area is assigned to SCE&G. **Exhibit 7** depicts the lines and facilities of the Petitioners in this area. The Petitioners propose that Mid-Carolina's distribution line, shown in black, that crosses the cove be removed and request that the three customers be transferred from Mid-Carolina to SCE&G. Mid-Carolina sent a letter to each of these customers. This letter is the same as that attached as **Exhibit 6A**.
20. In connection with the transfer of customers adjacent to the two Lake Murray coves described in Paragraphs 19 and 20 above, Mid-Carolina will transfer to SCE&G approximately .4 mile of overhead and underground distribution line and associated equipment as shown in purple on **Exhibits 6 and 7**. Further, Petitioners agree that Mid-Carolina abandons, and request that the Commission approve the abandonment of, all corridor rights for these lines being transferred to SCE&G and those being removed by Mid-Carolina. The former corridors will be served exclusively by the SCE&G. The removal of the two lake crossings will improve boating safety.

Agreement to Limit Corridor Rights in Specified Areas

21. In the areas surrounding Batesburg-Leesville and Gilbert in Lexington County, and in the St. Andrews area of Lexington and Richland Counties both Petitioners own many miles of primary distribution lines that have "corridor rights;" therefore, by virtue of those corridor rights, each Petitioner is able to serve new customers located in territory assigned to the other.
22. However, in order to avoid wasteful duplication of electric distribution lines and appurtenant facilities, Petitioners have agreed that in the areas surrounding Batesburg-Leesville and Gilbert and in the St. Andrews area, neither Petitioner will assert a corridor right to serve a customer outside the territory assigned to that Petitioner.
23. **Exhibit 8** depicts the areas surrounding Batesburg-Leesville and Gilbert and **Exhibit 9** depicts the St. Andrews area where each Petitioner has agreed not to assert corridor rights outside the territory assigned to that Petitioner. Such areas are shown in purple on Exhibits 8 and 9. The former corridors will be served by the electric service provider assigned the area.

WHEREFORE, Mid-Carolina and SCE&G having jointly petitioned the Commission, pray that the Commission issue its order:

1. Finding and Determining that the territorial re-assignments and transfers of facilities and customers as requested herein shall serve, and are in accordance with, the public convenience and necessity;
2. Approving the territorial re-assignments as depicted in the attached Exhibits;
3. Transferring the customers in Ward, Lake Murray Estates and the two Lake Murray coves all as described herein, and authorizing the transfer of facilities as necessary for each Petitioner to serve its newly assigned customers;
4. Amending the territorial assignment maps to reflect the re-assignments requested herein; and

5. Approving the abandonment by SCE&G and Mid-Carolina of Petitioners' respective corridor rights in the Ward and the Lake Murray Estates areas, and in connection with the removal of Mid-Carolina's Lake Crossings and lines on Wessinger, Walt Rauch and Westridge Circle Roads.
6. Approving the agreement between Mid-Carolina and SCE&G wherein each of them have agreed not to assert corridor rights outside the territory assigned to them in the areas surrounding Batesburg-Leesville and Gilbert and in the St. Andrews area northeast of Columbia.

Respectfully Submitted,

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Date: February 15, 2010

By: Patricia T. Smith

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Date: 2/16/2010

By: Marcus A. Manos

Attorney for the Petitioner Mid-Carolina
Electric Cooperative, Inc.

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

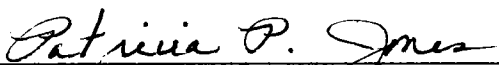
VERIFICATION

Personally appeared before me W. Keller Kissam who being duly sworn, deposes and says that he is Vice President—Electric Operations of the Petitioner, South Carolina Electric & Gas Company; that he has read the foregoing Joint Petition and the matters alleged therein are true and correct to the best of his knowledge, information and belief based upon his personal knowledge and his review of the corporate records of South Carolina Electric & Gas Company related to the matters alleged in the Joint Petition; and that he is fully authorized to verify the contents of the Joint Petition on behalf of South Carolina Electric & Gas Company.

Sworn to before me this
10th day of February, 2010



W. Keller Kissam



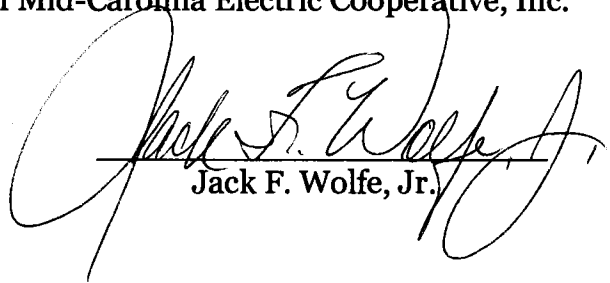
Notary Public for South Carolina
My Commission Expires: 10/18/2014

STATE OF SOUTH CAROLINA)
)
COUNTY OF LEXINGTON)

VERIFICATION

Personally appeared before me Jack F. Wolfe, Jr. who being duly sworn, deposes and says that he is the Chief Executive Officer of the Petitioner, Mid-Carolina Electric Cooperative, Inc.; that he has read the foregoing Joint Petition and the matters alleged therein are true and correct to the best of his knowledge, information and belief based upon his personal knowledge and his review of the corporate records of Mid-Carolina Electric Cooperative, Inc. related to the matters alleged in the Joint Petition; and that he is fully authorized to verify the contents of the Joint Petition on behalf of Mid-Carolina Electric Cooperative, Inc.

Sworn to before me this
9th day of February, 2010



Jack F. Wolfe, Jr.

Vicki E. Ross-Bell
Notary Public for South Carolina
My Commission Expires: 5-17-19

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Territory in Lexington and Saluda)
Counties, Exchange of Certain)
Customers and Approval of an)
Agreement to Limit Corridor Rights)

CERTIFICATE OF SERVICE

The undersigned certifies that a copy of the **JOINT PETITION FOR REASSIGNMENT OF TERRITORY, TRANSFER OF CERTAIN CUSTOMERS AND APPROVAL OF AN AGREEMENT TO ELIMINATE CORRIDOR RIGHTS** has been served upon the Office of Regulatory Staff by hand-delivering a copy of the same on the 16th day of February, 2010.

Office of Regulatory Staff
1401 Main Street, Suite 900
Columbia, South Carolina 29201


NEXSEN PRUET, LLC

Columbia, South Carolina